

**Nebraska
Department of Revenue**

**SOFTWARE SPECIFICATIONS
BULLETIN 2**

**UPDATE TO
PUBLICATION 1346N
FOR
TAX YEAR 2006**

October 12, 2006

This document supplements Nebraska Publication 1346N, and is intended to notify software developers in the Federal/State Electronic Filing Program of changes to original specifications releases.

TAX YEAR 2006 BULLETIN #2

Nebraska Generic Record Specifications Changes Since the August 29 Bulletin:

NEW: One new signed numeric field has been added (Seq. # 0905) along with a new alphanumeric field used as an indicator (Seq. # 0305). The new signed numeric field is used to capture Form 2210N line 33 when the taxpayer is a Farmer or Rancher. The indicator must be set to '1' when the software computes a Nebraska Form 2210N, even if the Penalty Amount calculates to be zero.

CHANGE: The order of the 2210N Penalty and Total Tax Due lines on Form 1040N have changed. This changes how the Total Amount Due is calculated. Carefully review the changes to our specification document for 1040N lines 36, 37, 38 and 39. These changes include;

- Penalty for Underpayment of Estimated Tax from Nebraska Form 2210N Line 23 is now being reported on Line 36. If the taxpayer is a Farmer or Rancher (2/3 of the taxpayer's gross income is from Farming or Ranching), this Line 36 amount comes from Nebraska Form 2210N Line 33.
- Line 37 is now called the Total Tax and Form 2210N Penalty amount (sum of lines 28 and 36).
- The Total Amount Due is now in Line 38.

CORRECTION: 1040N Line 11, Nebraska Income Before Adjustments was incorrectly shown as + only (positive only), where it should have been + or -.

CORRECTION: The base Standard Deduction amount for Married Filing Joint (File Status 2) was incorrectly shown as \$8,550 where it **should have been \$8,580**. This was wrong in the "What's New" section as well as in Appendix G. Also, the Nebraska Minimum Standard Deduction has changed from \$790 last year to \$810 this year. This was also incorrect in Appendix G.

NOTICE: This year it is very important to caution your users to be sure to check the Special Filing Status Checkbox where appropriate. If 2/3 of the taxpayer's gross income is from Farming or Ranching, the Special Filing Status checkbox (Seq. # 0305) must be set to '1' to avoid erroneous penalty assessments.

These changes have been made in their respective documents and have been reposted on the department's web site at, <http://www.revenue.ne.gov/electron/develop.htm>.

